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November 6, 2001

EXECUTATE CELLETARY

David Waddell, Esq.
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway

Nashville, TN 37243-0505

Re:

Complaint of BellSouth Telecommunications, Inc. Regarding the

Practices of Global Crossing Telecommunications, Inc. in the Reporting of

Percent Interstate Usage for Compensation for Jurisdictional Access

Services

Docket No. 01-00913

Dear David:

Please accept for filing the original and thirteen copies of the Answer of Global Crossing Telecommunications, Inc. to the Complaint filed by BellSouth Telecommunications, Inc. in the above-captioned proceeding.

Very truly yours,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By:

Henry Walker

HW/nl Attachment c: Parties

# BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

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#### ANSWER

Defendant Global Crossing Telecommunications, Inc. ("Global Crossing"), by its undersigned attorneys, in answer to Plaintiff's Complaint, hereby responds and avers as follows:

#### PRELIMINARY STATEMENT

By bringing this action, Plaintiff BellSouth Telecommunications, Inc. ("BellSouth") seeks to ignore the dispute resolution procedures in its applicable tariffs, bypass federal jurisdiction, impermissibly extend the limitations time for bringing a complaint and, additionally, avoid an earlier-filed action for declaratory judgment and injunctive relief brought by Global Crossing in the United States District Court for the Northern District of Georgia, which raises the very same issues that BellSouth raises in this action. Instead of following the substantive and procedural mechanisms that have been used by LECs and IXCs for over 15 years, BellSouth asks this Tennessee Regulatory Authority – and seven other commissions in its region – to second-guess those mechanisms and instead approve a novel (and still undescribed) measurement

Global Crossing Telecommunications, Inc. v. BellSouth Telecommunications, Inc. Civil Action No. 1:01-CV-2706.

technique newly developed by BellSouth. Due to the numerous legal, technical and factual deficiencies of BellSouth's approach, its claims in this proceeding must fail.

Reduced to its essence, BellSouth's claim here and in the companion proceedings in seven other states is that it believes Global Crossing's percent interstate usage ("PIU") factor to be incorrect. For over 15 years, however, BellSouth's federal tariffs have set forth a reasonable and workable approach to resolving such disputes, an approach that is mirrored in section 2.3.14B of its Tennessee tariff. Specifically, under procedures developed by the Federal Communications Commission and the Federal-State Joint Board on Separations, local exchange carriers disputing a reported PIU are to request an independent audit of the carrier's interstate usage. The frequency, methods, standards and application of such audits are set forth in those tariffs, again as developed during the separations process. This dispute can and should be resolved pursuant to those procedures.

## **SPECIFIC RESPONSES**

- 1. Defendant lacks knowledge or information sufficient to form a belief as to the allegations set forth in paragraph 1 of the Complaint.
  - 2. Defendant admits the allegations set forth in paragraph 2 of the Complaint.
- 3. Defendant admits that as an interexchange carrier, it sometime purchases access services from local exchange carriers, including BellSouth, for the purpose of originating and/or terminating interLATA telecommunications. Otherwise, Defendant denies the allegations set forth in paragraph 3 of the Complaint.
- 4. Defendant admits that access services sometimes include a component that is charged on a per-minute-of-use basis and that, where access services are used, separate charges apply for originating access and for terminating access. Otherwise, Defendant denies the allegations set forth in paragraph 4 of the Complaint.

758951 v1 010205-003 11/6/2001

- 5. Defendant admits that the applicable charge for access services depends, in part, upon the jurisdictional nature of the telephone call, but otherwise denies the allegation set forth in the first sentence of paragraph 5. The second sentence of paragraph 5 states a conclusion of law to which no response is required. To the extent a response is necessary, Defendant denies the allegations and respectfully refers to the methodology that is specified in BellSouth's Tariff F.C.C. No. 1 and which, by operation of that tariff, applies to BellSouth access services. *See* BellSouth's Tariff F.C.C. No. 1, §§ 3.10(A)(1)(a) and 2.3.10(A)(1)(c). Defendant admits the allegations set forth in the third and forth sentences of paragraph 5 of the Complaint. With respect to the fifth sentence of paragraph 5, Defendant admits that in some cases BellSouth's tariffed rates for an intrastate call may be higher than its charges for an interstate call, including in Tennessee, but otherwise denies the allegations contained in the fifth sentence of paragraph 5 of the Complaint.
- 6. Defendant denies the allegations set forth in paragraph 6 of the Complaint, and, by way of further response, respectfully refers to BellSouth's Tariff F.C.C. No. 1, which, by operation of that tariff, applies to BellSouth access services and the calculation of percent interstate use ("PIU").
- 7. Defendant lacks knowledge or information sufficient to form a belief as to the factual assertions set forth in the first, second and third sentences of paragraph 7 of the Complaint. As for the fourth and fifth sentences of paragraph 7, Defendant admits that it is required to report its PIU consistent with BellSouth's Tariff F.C.C. No. 1, but otherwise denies the allegations set forth therein. Defendant lacks knowledge or information sufficient to form a belief as to the allegations set forth in the sixth sentence of paragraph 7 of the Complaint.

- 8. Defendant lacks knowledge or information sufficient to form a belief as to the allegations set forth in paragraph 8 of the Complaint. To the extent that a response is required, Defendant denies the allegations set forth in paragraph 8 of the Complaint.
- 9. Defendant lacks knowledge or information sufficient to form a belief as to the allegations set forth in paragraph 9 of the Complaint.
- 10. Defendant lacks knowledge or information sufficient to form a belief as to the allegations set forth in paragraph 10 of the Complaint. To the extent that a response is required, Defendant denies the allegations set forth in paragraph 10 of the Complaint.
- 11. Defendant lacks knowledge or information sufficient to form a belief as to the allegations set forth in the first sentence of paragraph 11 of the Complaint. To the extent a response is required, Defendant denies the allegations set forth in the first sentence of paragraph 11 of the Complaint. Defendant denies the allegations set forth in the second sentence of paragraph 11 of the Complaint.
  - 12. Defendant denies the allegations set forth in paragraph 12 of the Complaint.
- 13. Defendant admits BellSouth has made a demand for payment and denies the remaining allegations set forth in paragraph 13 of the Complaint.
  - 14. Defendant denies the allegations set forth in paragraph 14 of the Complaint.

#### **AFFIRMATIVE DEFENSES**

- 15. As and for a first affirmative defense, Defendant avers that some or all of Plaintiff's claims are barred by the applicable statute of limitations and by Plaintiff's applicable tariffs.
- 16. As and for a second affirmative defense, Defendant avers that, by failing to follow the audit procedures required by its applicable tariffs, Plaintiff has waived any claim to retroactive determination of the amounts owed by Defendant for access services.

17. As and for a third affirmative defense, Defendant avers that Plaintiff is barred by the doctrine of laches from asserting any claim for retroactive recovery for some or all of the PIU reports submitted by Global Crossing.

18. As and for a fourth affirmative defense, Defendant avers that Plaintiff is estopped by its conduct from claiming that Defendant owes any additional amounts for access services rendered by Plaintiff.

19. As and for a fifth affirmative defense, Defendant avers that the Tennessee Regulatory Authority lacks subject matter jurisdiction to hear Plaintiff's claims.

20. As and for a sixth affirmative defense, Defendant avers that Plaintiff has failed to state a claim upon which relief may be granted by the Tennessee Regulatory Authority.

### RESERVATION OF RIGHTS

This Answer is based on currently available information. Global Crossing reserves the right to supplement and amend its Answer.

WHEREFORE, Defendant, Global Crossing Telecommunications, Inc. requests that the Tennessee Regulatory Authority:

- (1) deny relief sought by Plaintiff; and
- (2) grant such other relief to Global Crossing as the Tennessee Regulatory Authority deems just and proper.

Respectfully submitted,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By:

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#### Of Counsel

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Dated: November 6, 2001

#### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing has been forwarded via fax or hand delivery and U.S. mail to the following on this the  $6^{th}$  day of November, 2001.

Guy Hicks, Esq.
BellSouth Telecommunications, Inc.
333 Commerce St., Suite 2101
Nashville, TN 37201-3300

Henry Walke